



US Army Corps  
of Engineers  
Alaska District

# Public Notice of Application for Permit

Regulatory Branch  
CEPOA-CO-R  
Post Office Box 6898  
Elmendorf AFB, Alaska 99506-0898

**PUBLIC NOTICE DATE:** April 18, 2006

**EXPIRATION DATE:** May 17, 2006

**REFERENCE NUMBER:** POA-1991-354-4

**WATERWAY:** Walker Fork

Interested parties are hereby notified that an application has been received for a Department of the Army permit for certain work in waters of the United States as described below and shown on the attached plan.

APPLICANT: Schmidt Mining, Bag 5050, Dawson City, Yukon Territories Y0B 1G0, Canada

AGENT: Jeff Keener, NordWand Enterprize, PO Box 82811, Fairbanks, Alaska 99708, telephone (907) 474-0943.

LOCATION: The proposed project is located on Walker Fork, within sections 34 and 35, T. 27 N., R. 21 E., Copper River Meridian; USGS Quad A-1; Latitude 64.0781° N., Longitude 141.2658° W.; approximately 4 miles west of Boundary, Alaska.

PURPOSE: Explore for valuable placer gold deposits.

WORK: The applicant proposes to conduct a multi year mining operation commencing in 2006 and ending in 2010. Approximately 154.3 acres will be disturbed with approximately 2,156,585 cubic yards (cy) of material moved.

Exploration, consisting of trenching and drilling, will be conducted in two phases beginning in late May 2006. Phase 1 exploration will consist of disturbing 4.6 acres and moving 585 cy of material. Drill lines will be spaced 500 feet apart with drill holes spaced between 25 and 200 feet apart on each drill line. Approximately 250 holes may be drilled. All drill holes will be reclaimed by partially backfilling and plugging with an upside down spruce sapling and allowed to re vegetate naturally. Approximately 12 small prospect pits will be excavated with a Hitachi EX-300 excavator. Pits will measure 10 feet long x 8 feet wide x 15 feet deep. Waste material (approximately 45 cy) will be placed in a pile measuring 12 feet long x 10 feet wide x 12 feet high alongside the pit. Each pit will be reclaimed immediately after collecting the sample.

Phase 2 exploration will be contingent upon favorable results of Phase 1 and will consist of processing a large bulk sample (up to 50,000 cy) from 15 acres of previously disturbed areas. All tailings will be contained within previously mined cuts.

ADDITIONAL INFORMATION: If the decision is made to commence production, Schmidt Mining will commence 4 distinct activities: relocate the camp, begin overburden removal, construct a new stream bypass and begin processing pay gravel. The camp will be moved to the right limit of the valley and occupy an area 300 feet long x 250 feet wide or about 1.7 acres. A pit toilet will be constructed and a leach field will be placed for kitchen and grey water. A septic system with leach field may be constructed after 2006. Burnable trash will be incinerated with other refuse hauled away to an appropriate site. The old camp site will be cleaned up and reclaimed.

Organic overburden will be removed from a pit area measuring up to 4,200 feet long x 500 feet wide and bulldozed to both sides of the pit in stockpiles about 35 feet wide and 15 feet high. These stockpiles will be segregated from other material and reserved for use in final reclamation. Gravel overburden will be dozed to the south of the annual pit into a stockpile about 75 feet wide x 15 feet high. The annual pits will be mined in small cuts measuring 180 feet long x 250 feet wide. All new access roads will be placed within the active pit area.

In order to reestablish Walker Fork in an older channel, a 1,200 feet long stream bypass will be constructed in 2006 or 2007. This bypass will permanently place Walker Fork along the left limit of the valley and may be constructed in two phases. Material excavated from the bypass will be placed in a stockpile or dike along the right limit (north) of the bypass measuring 50 feet wide x 8 feet high. Organic material will be segregated and spread over the dike to promote rapid natural re-vegetation. In 2008 the bypass will be extended by 1,800 feet on one claim and 750 feet on another claim for a total length of 3,750 feet. This bypass will mitigate erosion of the old tailings piles and eliminate the current stream crossing. This action will also provide room to enlarge the existing settling ponds and allow reclamation of some older tailing piles. Two existing settling ponds will be rehabilitated and enlarged to provide a horseshoe shaped recycle pond up to 400 feet long x 200 feet wide x up to 10 feet deep. A dike up to 50 feet wide x 4 feet tall will be constructed around the pond to strengthen the impoundment.

The following schedule of additional new disturbance and reclamation during production is shown below:

1. 2006 - 54 acres disturbed, 411,000 cy moved.
2. 2007 - 27.5 acres disturbed, 505,000 cy moved, begin reclamation of 2006 mine pit (10 acres).
3. 2008 - 42 acres disturbed, 515,000 cy moved, complete reclamation of 2006 mine pit (21 acres) and begin reclamation of 2007 mine pit (11 acres).
4. 2009 - 26.2 acres disturbed, 325,000 cy moved, complete reclamation of 2007 mine pit (16.5 acres) and 2008 mine pit (27.5 acres).
5. 2010 - 400,000 cy moved, complete reclamation of 2009 mine pit (33.1 acres) and 2010 mine pit (25.1 acres).

Mine pits will be reclaimed by backfilling with tailings and overburden. Coarser tailings and overburden stockpiles will be graded and contoured to blend with the surroundings. Organic overburden will then be spread over the surface to promote natural re-vegetation. Low spots within the reclaimed pits will be created to trap surface run off water and suspended fines to create shallow ponds and wetland habitat. The lower polishing ponds near the camp will be reclaimed by slowly draining the water and dozing the gravel dikes and then capping the ponds. The old camp will be reclaimed by removing all buildings, equipment and trash and then grading and contouring the surface to blend with surroundings. Any locally available stockpiles of organic material will be spread over the graded surface to promote re-vegetation.

Since it is anticipated that mining will continue beyond 2010, the new campsite and buildings along with the access road will be retained. This is an area of 3.9 acres. By the end of 2010, 150.4 acres of new disturbance and at least 15 acres of previous disturbance will be reclaimed on Walker Fork.

In 2005 Northway Mining and Exploration purchased all of Mr. Fred Heflinger's mining claims in the area. In 2006 Northway leased all of its mining claims on Walker Fork to Schmidt Mining.

MITIGATION: The State of Alaska, Office of Habitat Management and Permitting, issued a Fish Habitat Permit on April 5, 2006 with an expiration date of December 31, 2010 for the proposed project. The permit was conditioned to protect resident fish species.

WATER QUALITY CERTIFICATION: A permit for the described work will not be issued until a certification or waiver of certification as required under Section 401 of the Clean Water Act (Public Law 95-217), has been received from the Alaska Department of Environmental Conservation.

PUBLIC HEARING: Any person may request, in writing, within the comment period specified in this notice, that a public hearing be held to consider this application. Requests for public hearings shall state, with particularity, reasons for holding a public hearing.

CULTURAL RESOURCES: The latest published version of the Alaska Heritage Resources Survey (AHRs) has been consulted for the presence or absence of historic properties, including those listed in or eligible for inclusion in the National Register of Historic Places. There are no listed or eligible properties in the vicinity of the worksite. Consultation of the AHRs constitutes the extent of cultural resource investigations by the District Engineer at this time, and he is otherwise unaware of the presence of such resources. This application is being coordinated with the State Historic Preservation Office (SHPO). Any comments SHPO may have concerning presently unknown archeological or historic data that may be lost or destroyed by work under the requested permit will be considered in our final assessment of the described work.

TRIBAL CONSULTATION: The Alaska District fully supports tribal self-governance and government-to-government relations between the Federal government and Federally recognized Tribes. This notice invites participation by agencies, Tribes, and members of the public in the Federal decision-making process. In addition, Tribes with protected rights or resources that could be significantly affected by a proposed Federal action (e.g., a permit decision) have the right to consult with the Alaska District on a government-to-government basis. Views of each Tribe regarding protected rights and resources will be accorded due consideration in this process. This Public Notice serves as notification to the Tribes within the area potentially affected by the proposed work and invites their participation in the Federal decision-making process regarding the protected Tribal right or resource. Consultation may be initiated by the affected Tribe upon written request to the District Engineer during the public comment period.

ENDANGERED SPECIES: No threatened or endangered species are known to use the project area. Preliminarily, the described activity will not affect threatened or endangered species, or their critical habitat designated as endangered or threatened, under the Endangered Species Act of 1973 (87 Stat. 844). This application is being coordinated with the U.S. Fish and Wildlife Service and the National Marine Fisheries Service. Any comments they may have concerning endangered or threatened wildlife or plants or their critical habitat will be considered in our final assessment of the described work.

ESSENTIAL FISH HABITAT: The proposed work is being evaluated for possible effects to Essential Fish Habitat (EFH) pursuant to the Magnuson Stevens Fishery Conservation and Management Act of 1996 (MSFCMA), 16 U.S.C. *et seq* and associated federal regulations found at 50 CFR 600 Subpart K. The Alaska District includes areas of EFH as Fishery Management Plans. We have reviewed the January 20, 1999, North Pacific Fishery Management Council's Environmental Assessment to locate EFH area as identified by the National Marine Fisheries Service (NMFS). We have determined that the described activity within the proposed area will not adversely affect EFH, including anadromous fish and federally managed fishery resources.

SPECIAL AREA DESIGNATION: None.

EVALUATION: The decision whether to issue a permit will be based on an evaluation of the probable impacts including cumulative impacts of the proposed activity and its intended use on the public interest. Evaluation of the probable impacts, which the proposed activity may have on the public interest, requires a careful weighing of all the factors that become relevant in each particular case. The benefits, which reasonably may be expected to accrue from the proposal, must be balanced against its reasonably foreseeable detriments. The decision whether to authorize a proposal, and if so, the conditions under which it will be allowed to occur, are therefore determined by the outcome of the general balancing process. That decision should reflect the national concern for both protection and utilization of important resources. All factors, which may be relevant to the proposal, must be considered including the cumulative effects thereof. Among those are conservation, economics, aesthetics, general environmental concerns, wetlands, cultural values, fish and wildlife values, flood hazards, floodplain values, land use, navigation, shore erosion and accretion, recreation, water supply and conservation, water quality, energy needs, safety, food and fiber production, mineral needs, considerations of property ownership, and, in general, the needs and welfare of the people. For activities involving 404 discharges, a permit will be denied if the discharge that would be authorized by such permit would not comply with the Environmental Protection Agency's 404(b)(1) guidelines. Subject to the preceding sentence and any other applicable guidelines or criteria (see Sections 320.2 and 320.3), a permit will be granted unless the District Engineer determines that it would be contrary to the public interest.

The Corps of Engineers is soliciting comments from the public; Federal, State, and local agencies and officials; Indian Tribes; and other interested parties in order to consider and evaluate the impacts of this proposed activity. Any comments received will be considered by the Corps of Engineers to determine whether to issue, modify, condition or deny a permit for this proposal. To make this decision, comments are used to assess impacts on endangered species, historic properties, water quality, general environmental effects, and the other public interest factors listed above. Comments are used in the preparation of an Environmental Assessment and/or an Environmental Impact Statement pursuant to the National Environmental Policy Act. Comments are also used to determine the need for a public hearing and to determine the overall public interest of the proposed activity.

Comments on the described work, with the reference number, should reach this office no later than the expiration date of this Public Notice to become part of the record and be considered in the decision. Please contact Jim Wolfe at (907) 753-2712, toll free from within Alaska at (800) 478-2712, or by email at james.wolfe@poa02.usace.army.mil if further information is desired concerning this notice.

AUTHORITY: This permit will be issued or denied under the following authority:

(X) Discharge dredged or fill material into waters of the United States - Section 404 Clean Water Act (33 U.S.C. 1344). Therefore, our public interest review will consider the guidelines set forth under Section 404(b) of the Clean Water Act (40 CFR 230).

A plan and Notice of Application for State Water Quality Certification are attached to this Public Notice.

District Engineer  
U.S. Army, Corps of Engineers

Attachments

MAP #1

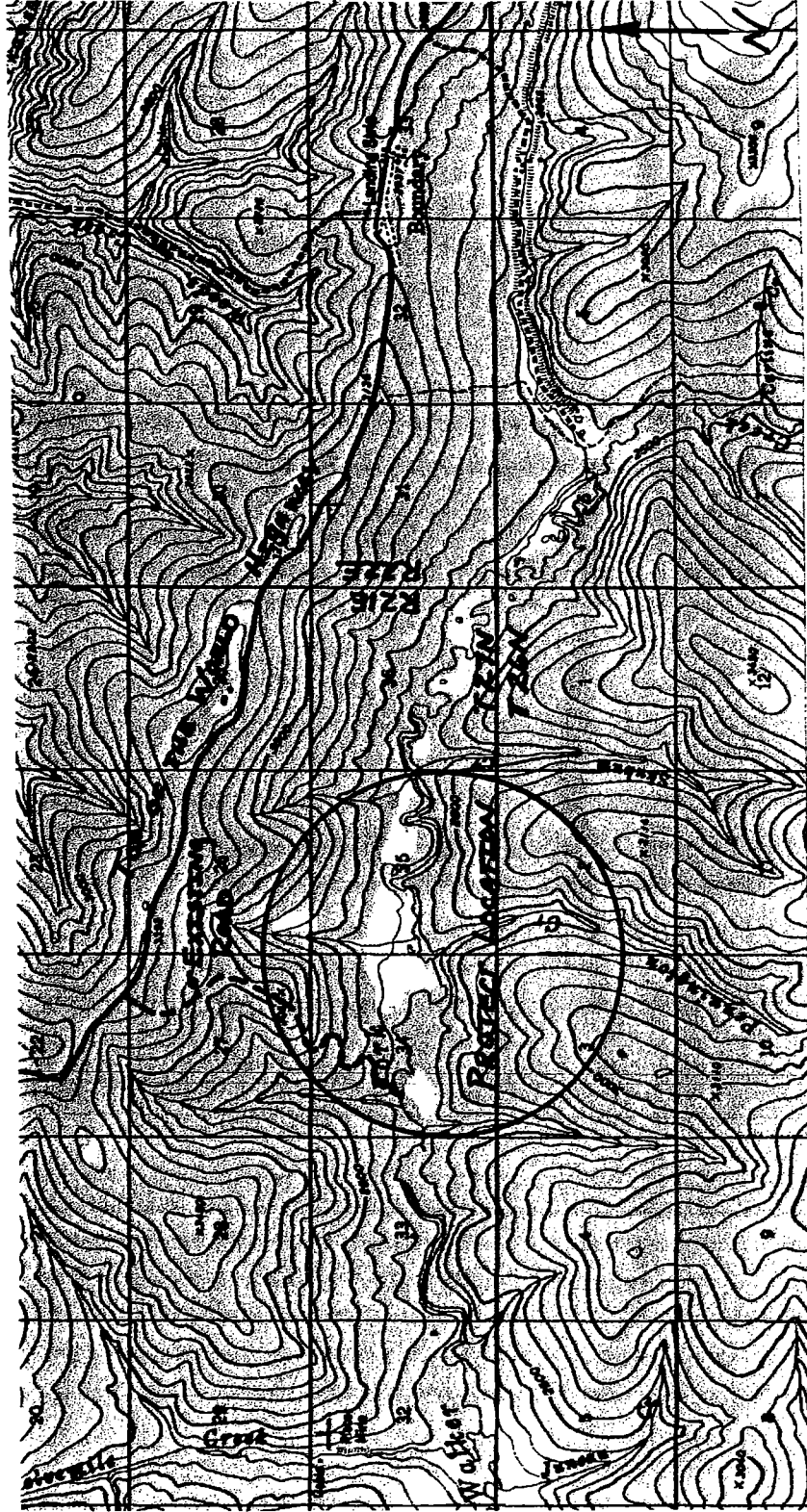
***SCHMIDT MINING***

WALKER FORK GOLD MINE  
MULTI-YEAR 2006 TO 2010  
EAGLE (A-1)... N64-4.6, W141-15.9

APMA F-069124  
FF-090716  
FF-092167  
24 MARCH 2006

Project Location and Access.....

Scale: 1" = 1 mile



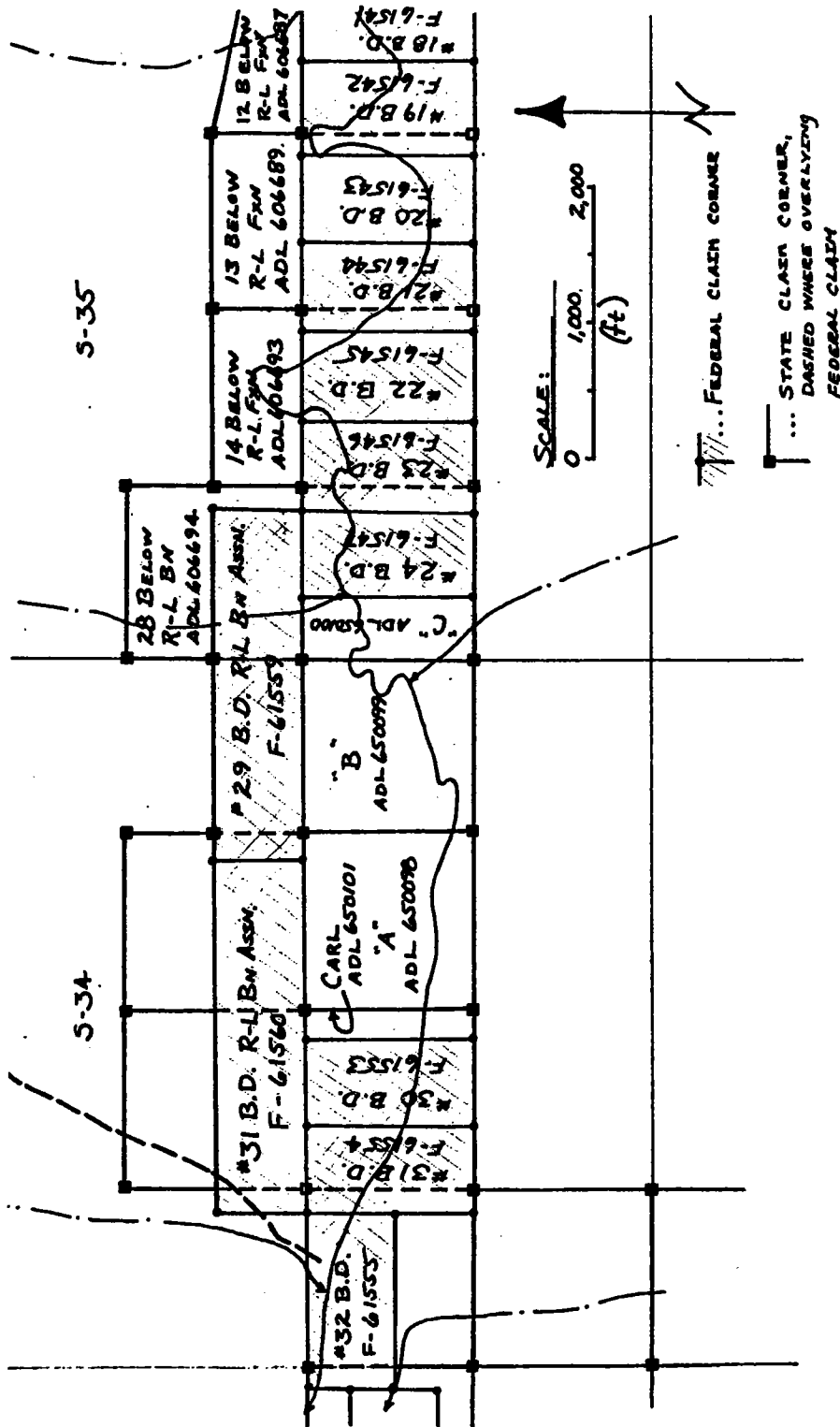
# MAP #2

## SCHMIDT MINING

WALKER FORK GOLD MINE  
MULTI-YEAR 2006 TO 2010  
EAGLE (A-1)... N64-4.6, W141-15.9

APMA F-069124  
FF-090716  
FF-092167  
24 MARCH 2006

Mineral Property.....



# MAP #3

## SCHMIDT MINING

WALKER FORK GOLD MINE

MULTI-YEAR 2006 TO 2010

EAGLE (A-1)... N64-4.6, W141-15.9

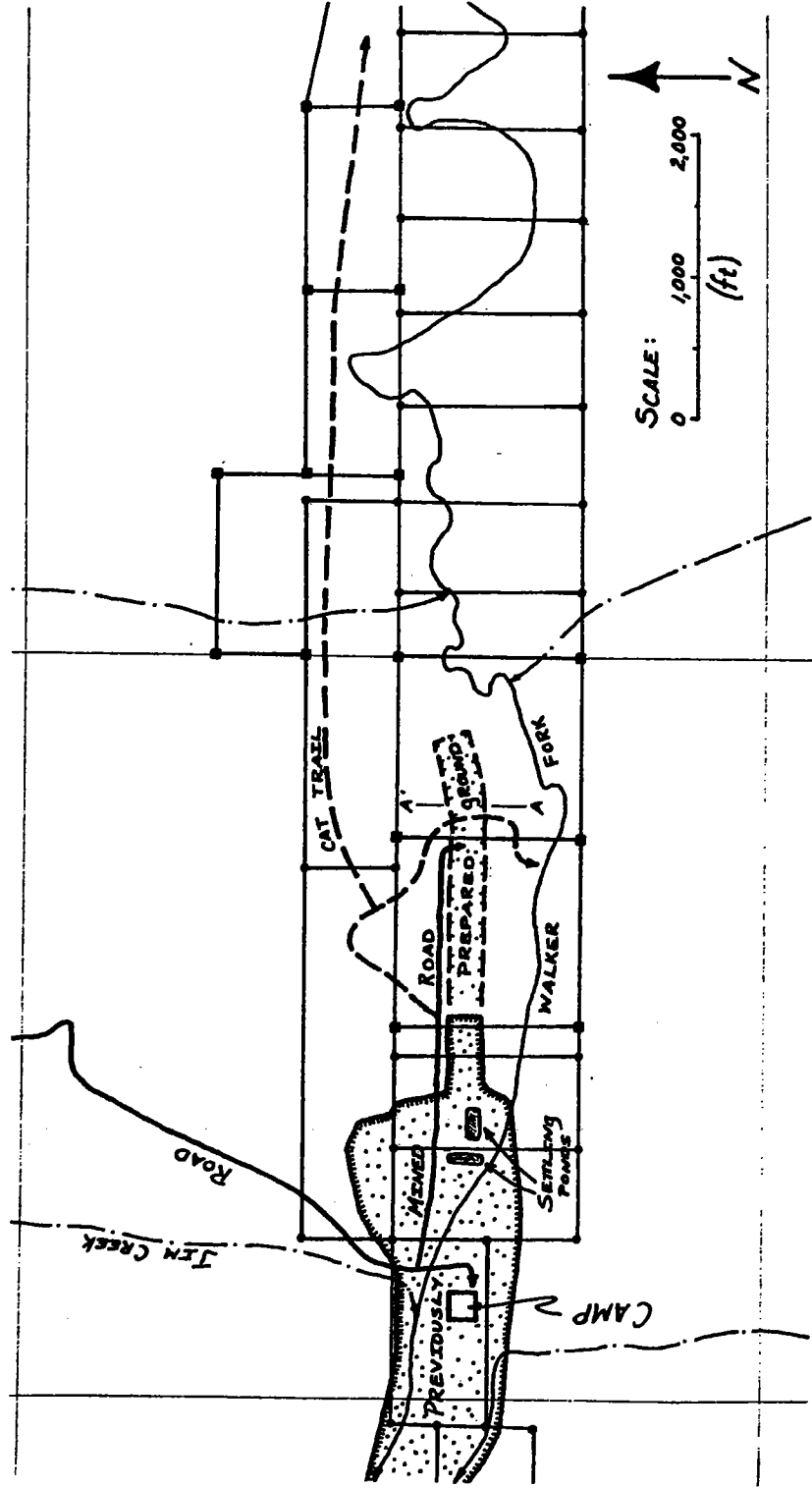
APMA F-069124

FF-090716

FF-092167

24 MARCH 2006

Current Conditions.....



# MAP #4

## SCHMIDT MINING

WALKER FORK GOLD MINE

MULTI-YEAR 2006 TO 2010

EAGLE (A-1)... N64-4.6, W141-15.9

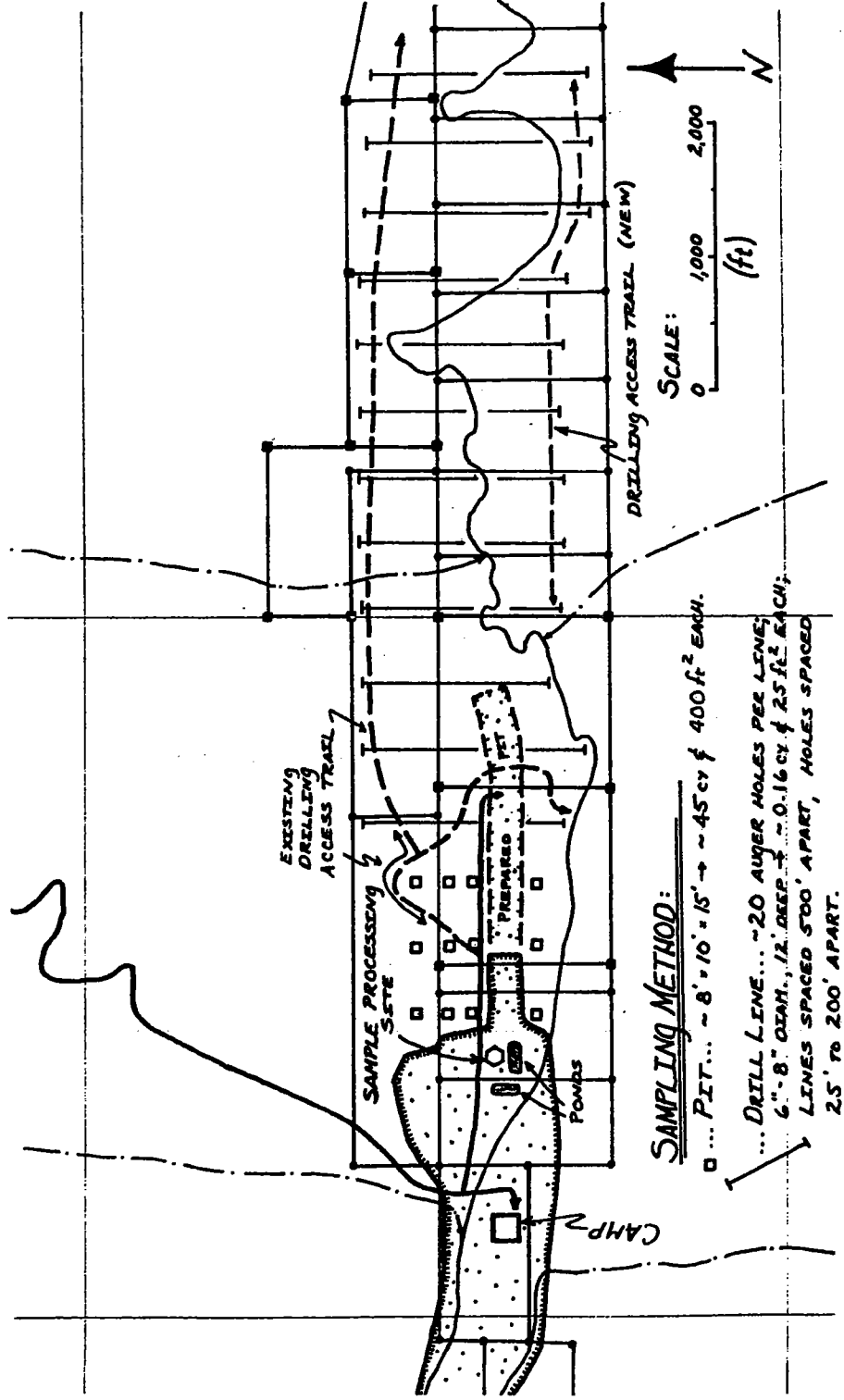
APMA F-069124

FF-090716

FF-092167

24 MARCH 2006

Exploration Plan.... Drill ~250 holes and excavate 12 prospect pits.





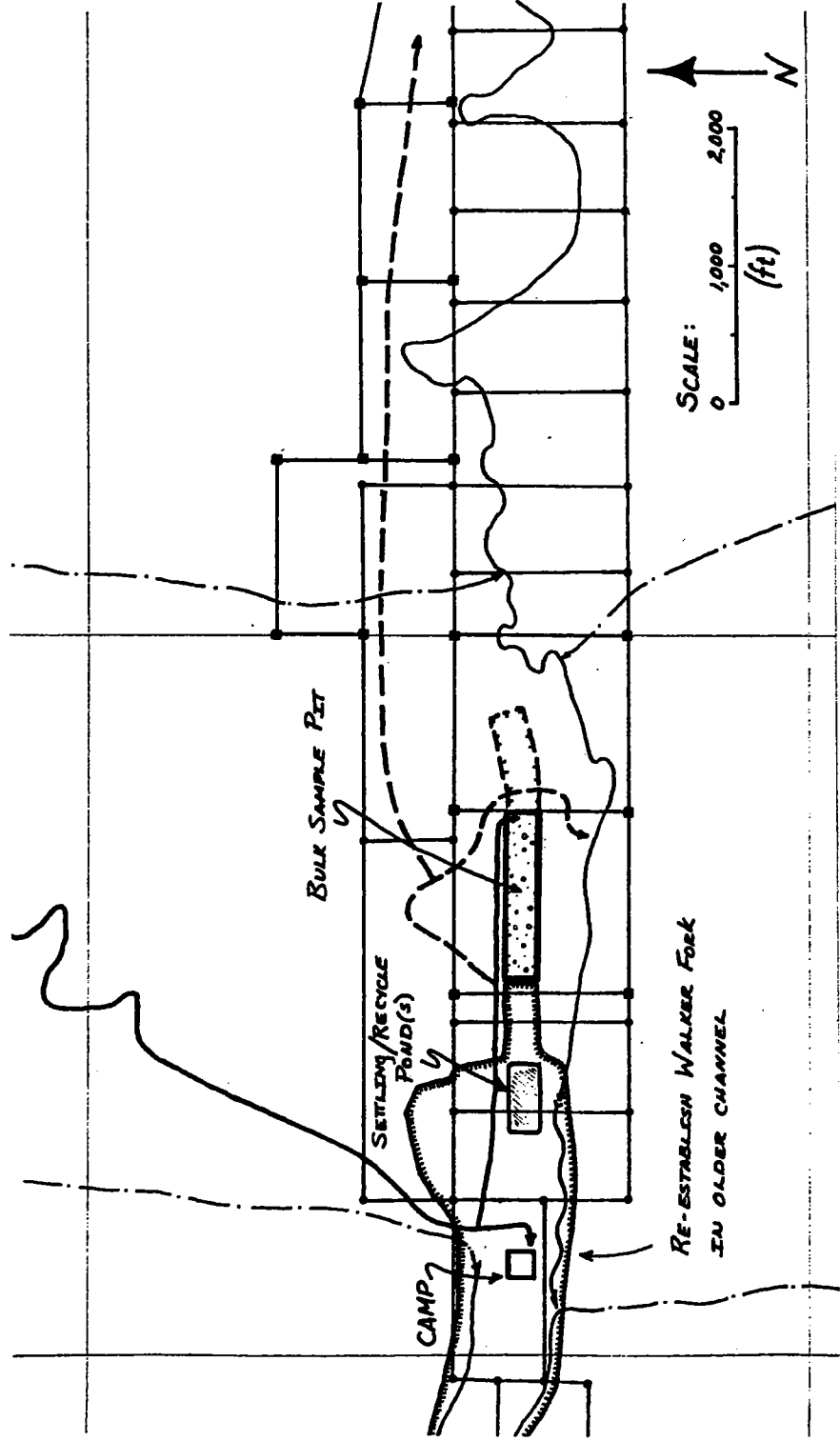
# MAP #5

## SCHMIDT MINING

WALKER FORK GOLD MINE  
MULTI-YEAR 2006 TO 2010  
EAGLE (A-1)... N64-4.6, W141-15.9

APMA F-069124  
FF-090716  
FF-092167  
24 MARCH 2006

Exploration Plan..... Location of bulk sample pit.



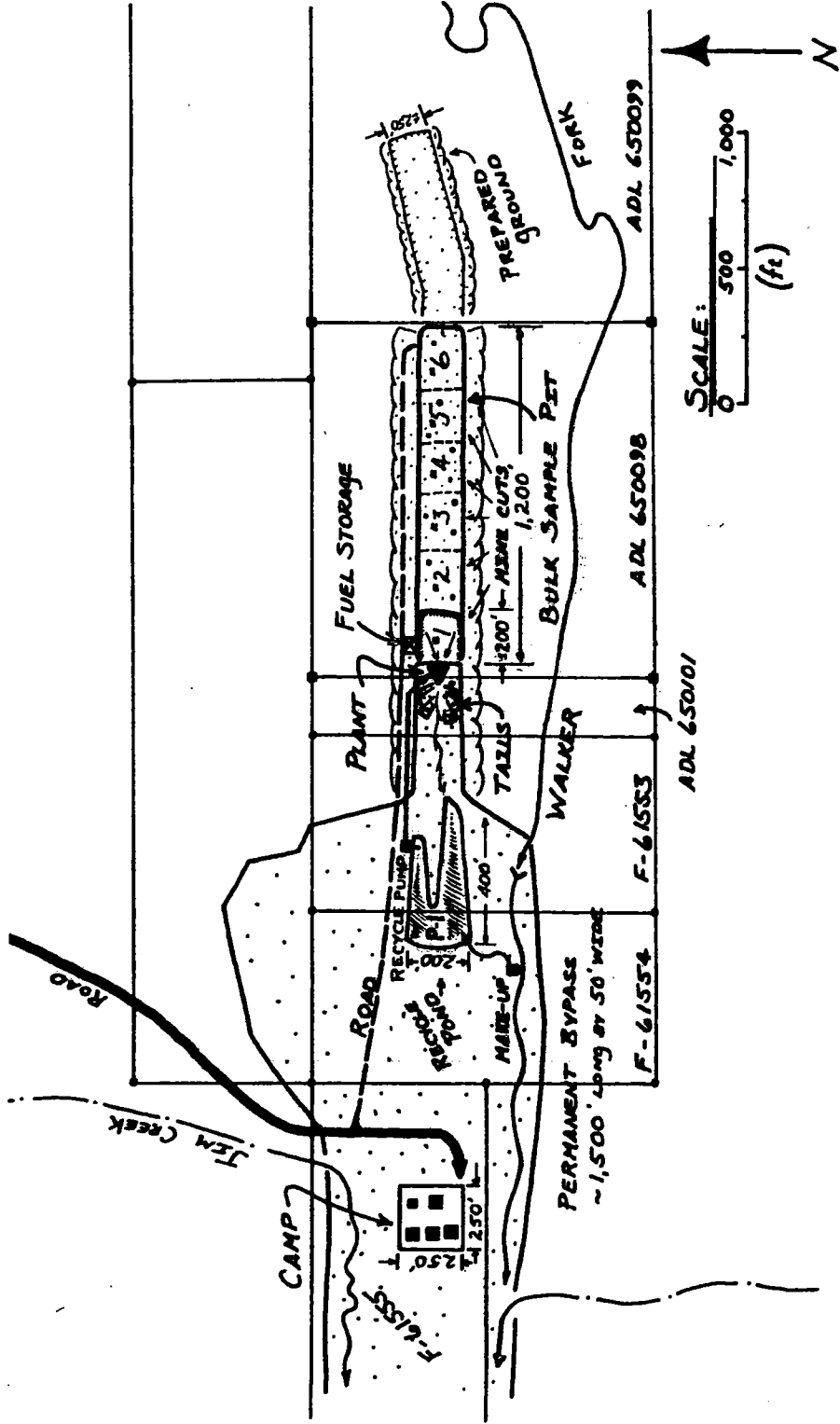
# MAP #6

## SCHMIDT MINING

WALKER FORK GOLD MINE  
MULTI-YEAR 2006 TO 2010  
EAGLE (A-1)... N64-4.6, W141-15.9

APMA F-069124  
FF-090716  
FF-092167  
24 MARCH 2006

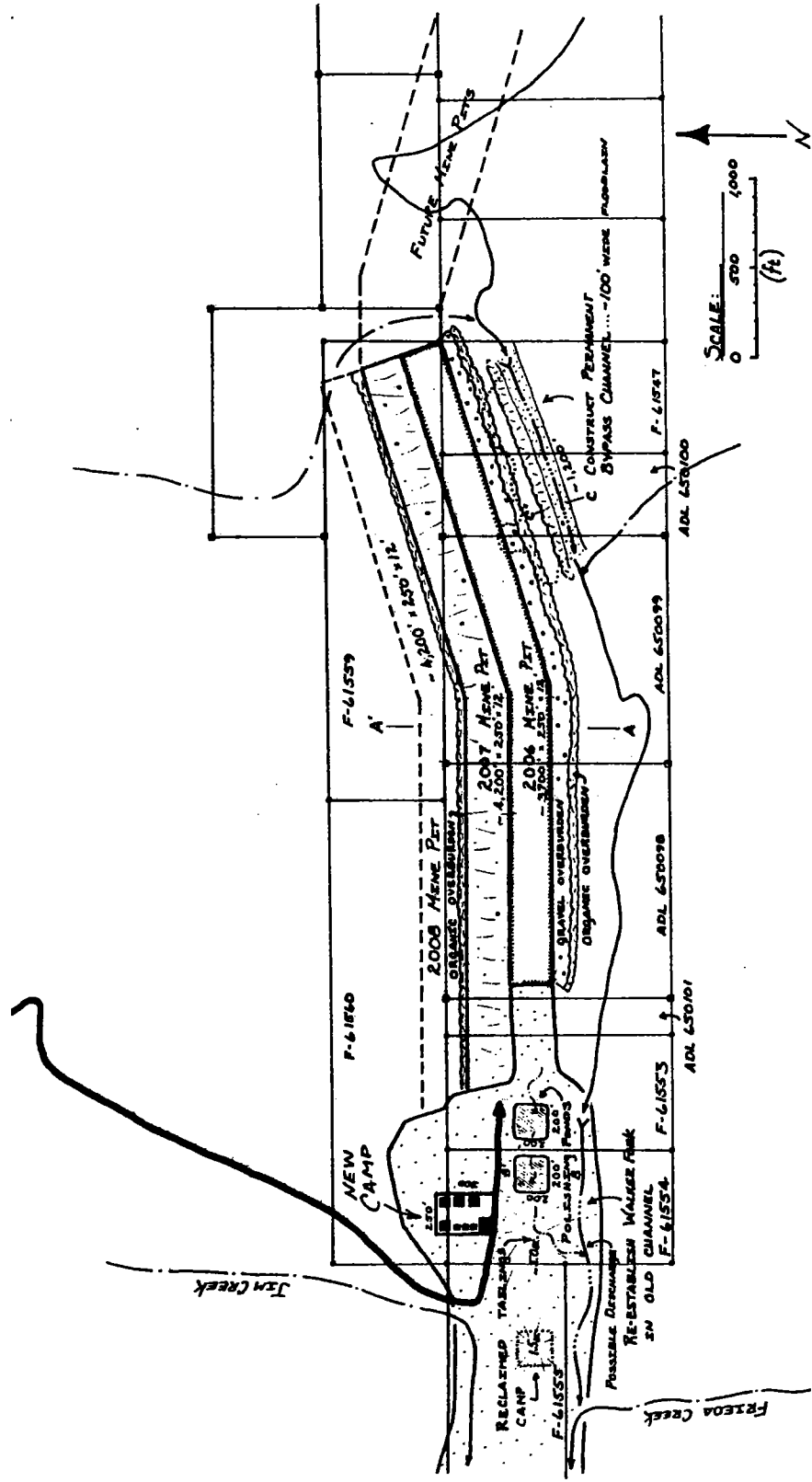
Exploration Plan..... Bulk sample ~50,000 cy of pay gravel.



APMA F-069124  
FF-090716  
FF-092167  
24 MARCH 2006

**WALKER FORK GOLD MINE  
MULTI-YEAR 2006 TO 2010  
EAGLE (A-1)... N64-4.6, W1**

**Production Plan.....** Re-locate camp. Prepare 2006 & 2007 mine pits. Convert recycle pond to two polishing ponds. Construct stream bypass.

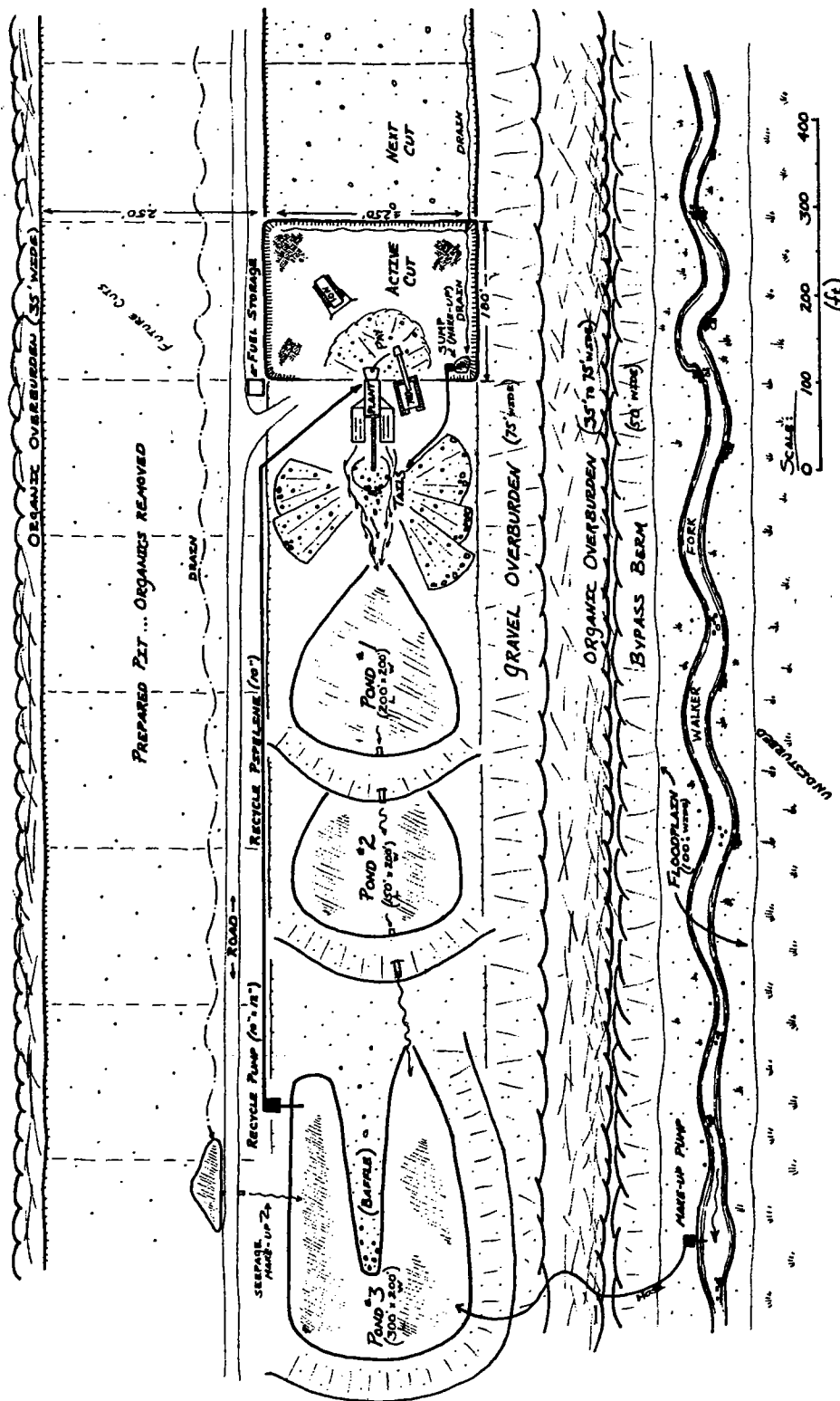


**SCHMIDT MINING**

**WALKER FORK GOLD MINE  
MULTI-YEAR 2006 TO 2010  
EAGLE (A-1)... N64-4.6, W1**

APMA F-069124  
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24 MARCH 2006

**Mine Model..... Mobile washplant backfills previous mine cut with tailings from active mine cut.**

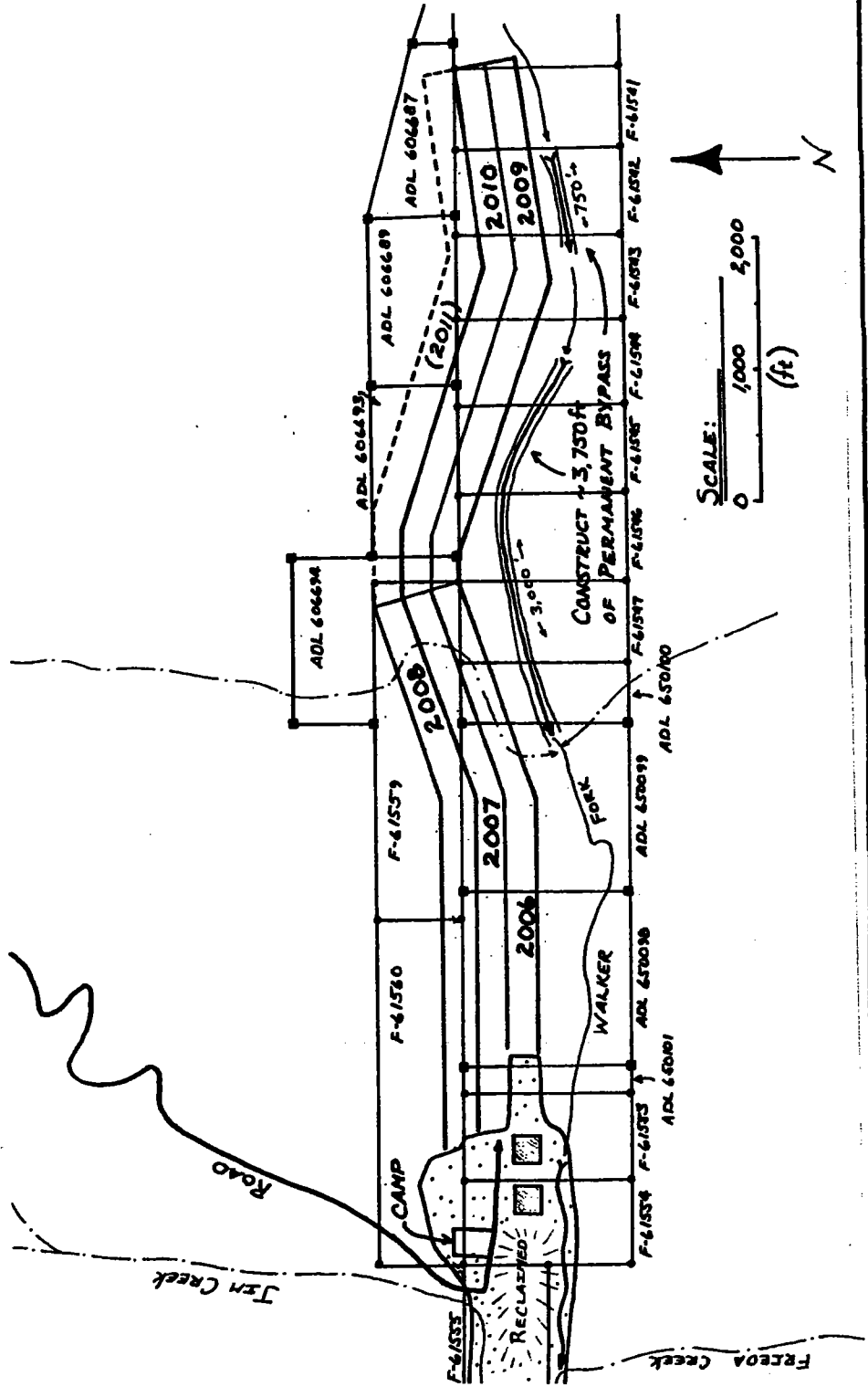


APMA F-069124  
FF-090716  
FF-092167  
24 MARCH 2006

FF-090716  
FF-092167  
MARCH 2006

EAGLE (A-1)... N64-4.6, W141-15.9

**Production Plan..... 2006 through 2010 mine pits. Total sections of stream bypass.**



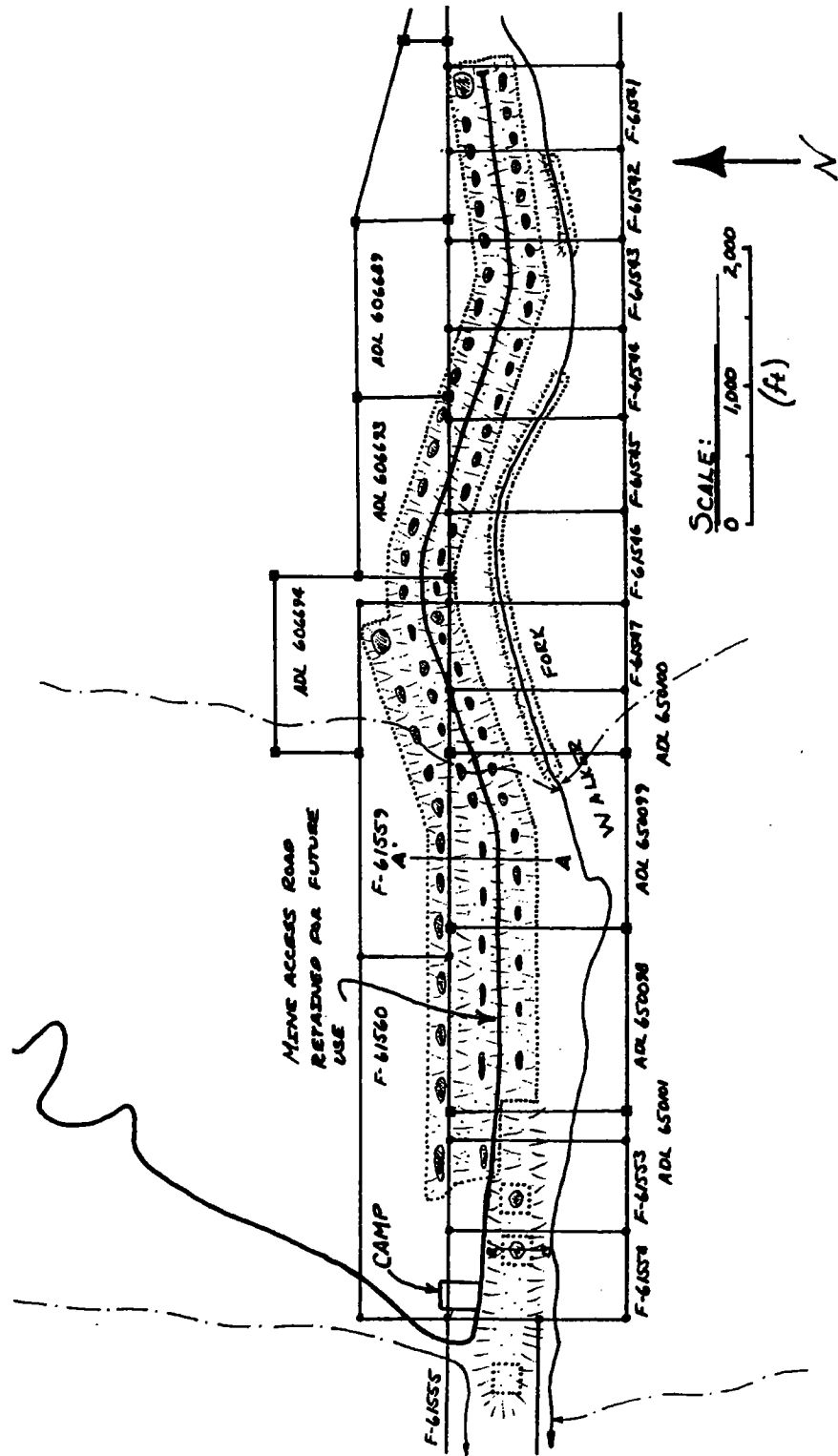
# MAP #10

## SCHMIDT MINING

WALKER FORK GOLD MINE  
MULTI-YEAR 2006 TO 2010  
EAGLE (A-1)... N64-4.6, W141-15.9

APMA F-069124  
FF-090716  
FF-092167  
24 MARCH 2006

Reclamation Plan..... Reclamation completed by end of 2010. Camp and mine access road retained for mining beyond 2010.



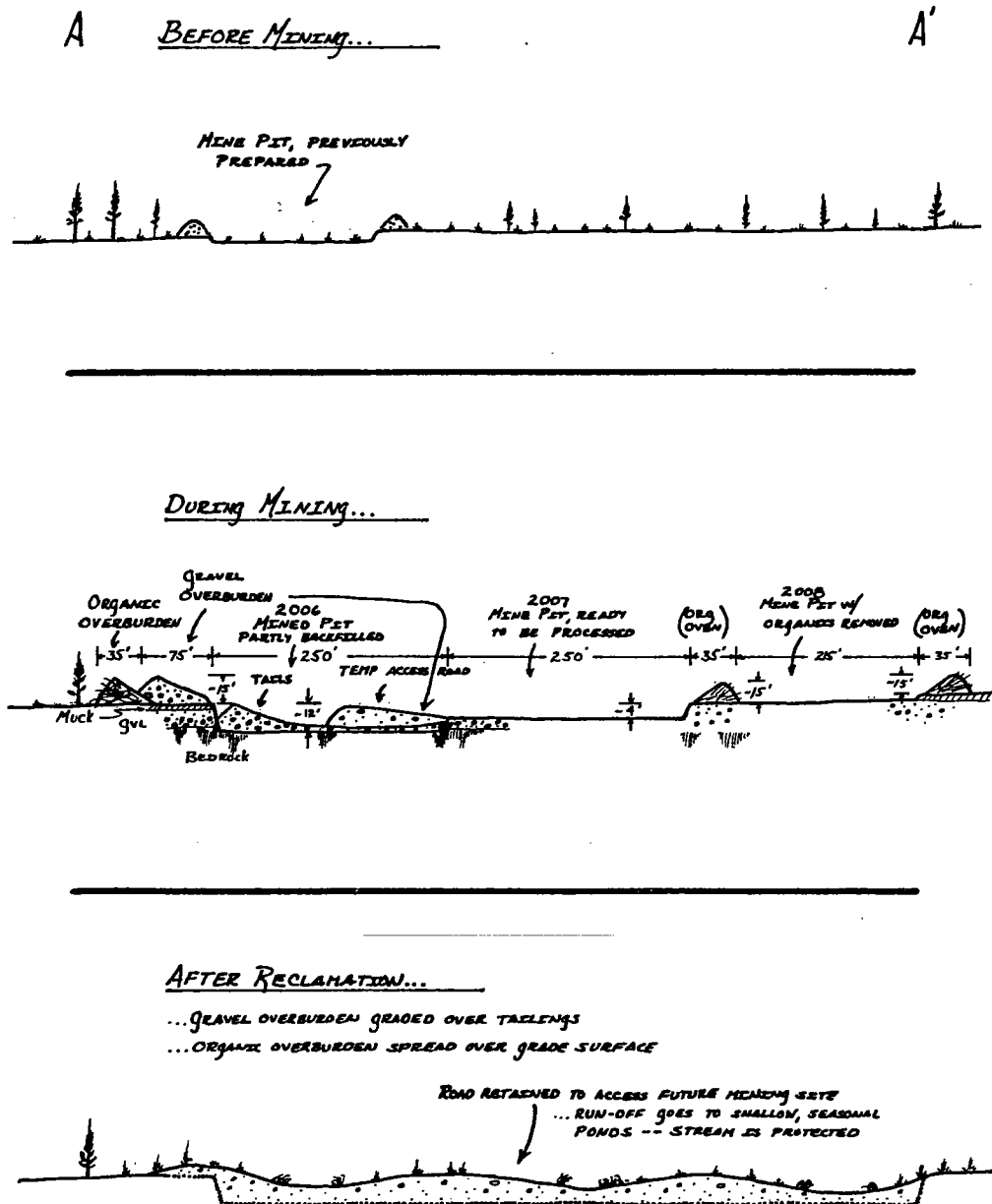
CROSS-SECTION A - A'

**SCHMIDT MINING**  
WALKER FORK GOLD MINE  
MULTI-YEAR 2006 TO 2010  
EAGLE (A-1)... N64-4.6, W141-15.9

APMA F-069124  
FF-090716  
FF-092167  
24 MARCH 2006

**Cross-section through 2006, 2007, & 2008 mine pits.....**

**Not to scale**



# CROSS-SECTIONS B - B' AND C - C'

**SCHMIDT MINING**

WALKER FORK GOLD MINE

MULTI-YEAR 2006 TO 2010

EAGLE (A-1)... N64-4.6, W141-15.9

APMA F-069124

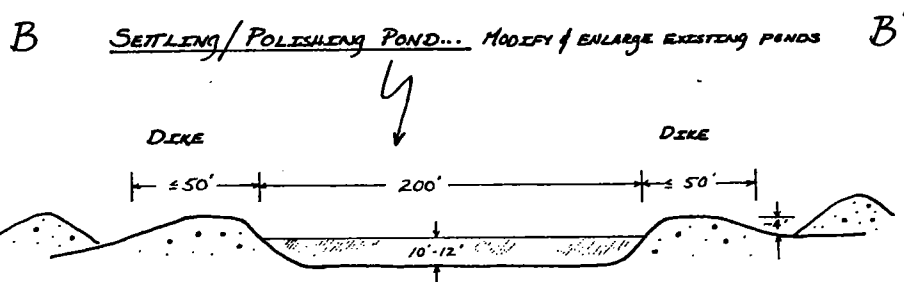
FF-090716

FF-092167

24 MARCH 2006

Cross-sections through polishing pond and stream bypass.....

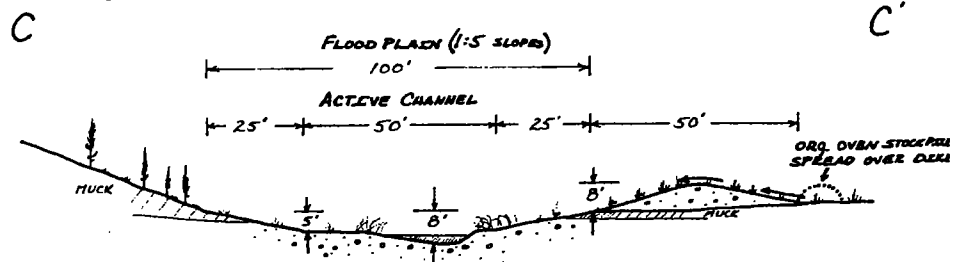
Not to scale



SETTLING/POLISHING POND AFTER RECLAMATION...  
...GRADE DIXES OVER DRAINED PONDS



PERMANENT STREAM BYPASS...





# STATE OF ALASKA

OFFICE OF THE GOVERNOR

## DEPT. OF ENVIRONMENTAL CONSERVATION

### DIVISION OF WATER

401 Certification Program

Non-Point Source Water Pollution Control Program

### NOTICE OF APPLICATION FOR STATE WATER QUALITY CERTIFICATION

Any applicant for a federal license or permit to conduct an activity that might result in a discharge into navigable waters, in accordance with Section 401 of the Clean Water Act of 1977 (PL95-217), also must apply for and obtain certification from the Alaska Department of Environmental Conservation that the discharge will comply with the Clean Water Act, the Alaska Water Quality Standards, and other applicable State laws. By agreement between the U.S. Army Corps of Engineers and the Department of Environmental Conservation, application for a Department of the Army permit to discharge dredged or fill material into navigable waters under Section 404 of the Clean Water Act also may serve as application for State Water Quality Certification.

Notice is hereby given that the application for a Department of the Army Permit described in the Corps of Engineers' Public Notice No. POA-1991-354-4, Walker Fork, State Water Quality Certification from the Department of Environmental Conservation.

After reviewing the application, the Department may certify that there is reasonable assurance that the activity, and any discharge that might result, will comply with the Clean Water Act, the Alaska Water Quality Standards, and other applicable State laws. The Department also may deny or waive certification.

Any person desiring to comment on the project with respect to Water Quality Certification may submit written comments within 30 days of the date of the Corps of Engineer's Public Notice to:

Department of Environmental Conservation  
WQM/401 Certification  
555 Cordova Street  
Anchorage, Alaska 99501-2617  
Telephone: (907) 269-6281  
FAX: (907) 269-7508